

BEFORE THE ILLINOIS COMMERCE COMMISSION

Marion Telephone, LLC	:	Docket No. 05-0347
:	:	
Application for a certificate of local	:	
and interexchange authority to operate	:	
as a facilities based carrier of	:	
telecommunications services in the	:	
State of Illinois	:	

**SUPPLEMENT TO THE APPLICATION FOR CERTIFICATE TO BECOME A
TELECOMMUNICATIONS CARRIER**

On June 6, 2005, Marion Telephone, LLC (“Applicant”), filed its Application for a Certificate of Authority to provide facilities-based local exchange and resold interexchange telecommunications services in the State of Illinois.

The purpose of this filing is to supplement Applicant’s June 6, 2005 filing to update and elaborate on certain responses. Applicant provides the following supplemental information in support of its Application:

GENERAL

8. The Applicant's certificate of authority to transact business in Illinois is attached hereto and made a part hereof by reference as Exhibit F.

MANAGERIAL

14. Applicant has several people interested in top managerial position, however, Applicant is going directly to facilities based service deployment and feels it would **not** be prudent to hire a management team until the construction nears completion. This strategy was put into place after the Federal Communications Commission (FCC) voted to adopt the **Final UNE Rules** in December of 2004. Under these new rules ILECs will no longer be required to unbundle mass market local switching. Due to this major change, it became apparent that a rural Competitive Local Exchange Carriers (CLEC) would not be able to enter a market as a startup in the traditional way. That is beginning with UNE-P to buildup a customer base and then moving to facilities based.

Mr. Keller has the ability of working through the certification, interconnection, and fundraising process with the pro bono assistance of several other professionals in the industry. Therefore, Applicant believes that after reviewing Mr. Keller's resume and work experience in the telecommunications industry, that the Commission will conclude that Mr. Keller will be able to put together a top notch management team when needed.

18. Amend the following clerical error "within two business (2) days"

FINANCIAL

25. Since the Telecom Act of 1996 James Keller, President and CTO of Applicant has been involved in the startup of three rural Complete Local Exchange Carriers (CLECs) that have gone on to become successful. All three CLECs, with locations in Washington State, Kentucky, and Illinois, experienced the same issue at startup. All three put together a business plan, raised money, hired the management team, and then filed their Application for a Certificate of Local and Interexchange Authority and started negotiations with the ILEC for interconnections and UNE pricing.

The result was always the same. All three companies had to go back to the investors and explain that the original business plan they invested in had changed. The reason for the changes in the business plan were due to the company not getting certain waivers from the State Commission, the ILEC pricing was higher than anticipated, or the financing had changed.

Therefore, based on the wisdom gained from these three CLECs mentioned above, Applicant is **not** going to start the process of raising money until after the certification process and interconnection agreements are completed and the business plan and financials can be adjusted to reflect those outcomes. Please see the flow charts which details the steps Applicant needs to complete before raising money, current financials, GL Chart of Accounts and made a part hereof by reference as Exhibit H.

This strategy will keep Applicants financials with no liabilities until it is time to start fundraising for construction and move to the process of hiring employees.

James Keller, President
(Signature of Applicant)

VERIFICATION

This application shall be verified under oath.

OATH

State of Kentucky)

)ss

County of Pike)

James Keller makes oath and says that he is President of Marion Telephone, LLC and that he has examined the foregoing supplemental application and that to the best of his knowledge, information, and belief, all statements of fact contained in the said application are true, and the said application is a correct statement of the business and affairs of the above-named applicant in respect to each and every matter set forth therein.


(Signature of affiant)

Subscribed and sworn to before me, a Notary Public/ Glenda Walters
(Title of person authorized to administer oaths)

in the State and County above named, this 3 day of August, 2005

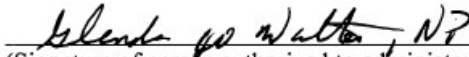

(Signature of person authorized to administer oath)

EXHIBIT F
ARTICLES OF ORGANIZATION
LETTER OF AUTHORITY TO TRANSACT BUSINESS
CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS IN ILLINOIS

Certificate of registration

Please verify that all of the information on your certificate is correct. If you need to make any corrections you must contact us immediately. If all of the information is correct, display your certificate at the location printed on the certificate.



Illinois Department of Revenue
REG-2-A Certificate of Registration

IBT no. : 3618-5485
Loc. code: 100-0001 1 001

The person or business listed below is authorized to do business in Illinois.
This certificate must be visibly displayed at the location listed below.

MARION TELEPHONE LLC
1309 S FOSSE RD
MARION IL 62959-1453

WILLIAMSON COUNTY

The following tax responsibilities have an expiration date. We will contact you to renew your registration prior to the earliest expiration date.

Authorized tax:
Sales Tax

License number:
Not applicable

Expiration:
03/21/2010



F-RS629- 000.370

4-2/02)

This certificate is nontransferable.


Director of Revenue

EXHIBIT H
CURRENT FINANCIALS
GL CHART OF ACCOUNTS
EVIDENCE OF FINANCIAL FITNESS
PRO FORMA
INCOME STATEMENT
&
BALANCE SHEET
BUSINESS PLAN (SEALED)
RURAL ILLINOIS CONNECTIVITY STUDY

Marion Telephone
Income Statement (Year to Date)
For the seven periods ending 7/31/05

Revenue:

Gross Sales	\$0.00
Less: Sales Returns and Allowances	\$0.00
Net Sales	\$0.00

Cost of Goods Sold:

Beginning Inventory	\$0.00	
Add: Purchases	\$0.00	
Freight-in	\$0.00	
Direct Labor	\$0.00	
Indirect Expenses	\$0.00	
	\$0.00	
Less: Ending Inventory	\$0.00	
Cost of Goods Sold		\$0.00
Gross Profit (Loss)		\$0.00

Expenses:

Advertising	\$0.00	
Amortization	\$0.00	
Bad Debts	\$0.00	
Bank Charges	\$0.00	
Contract Labor	\$0.00	
Credit Card Fees	\$0.00	
Depreciation	\$326.69	
Dues and Subscriptions	\$0.00	
Insurance	\$0.00	
Maintenance	\$0.00	
Miscellaneous	\$0.00	
Office Expenses	\$0.00	
Operating Supplies	\$0.00	
Payroll Taxes	\$0.00	
Permits and Licenses	\$0.00	
Professional Fees	\$0.00	
Property Taxes	\$0.00	
Rent	\$0.00	
Repairs	\$0.00	
Telephone	\$560.00	
Travel	\$0.00	
Utilities	\$0.00	
Vehicle Expenses	\$0.00	
Wages	\$0.00	
Total Expenses		\$886.69

Net Operating Income -\$886.69

Other Income:

Gain (Loss) on Sale of Assets	\$0.00	
Interest Income	\$0.00	
Total Other Income		\$0.00

Net Income (Loss) -\$886.69

**Marion Telephone
Balance Sheet
7/31/2005**

Assets			
Current Assets:			
Cash		\$243	
Accounts Receivable	\$0		
Less: Reserve for Bad Debts	<u>0</u>	0	
Merchandise Inventory		0	
Prepaid Expenses		0	
Notes Receivable		<u>0</u>	
Total Current Assets			\$243
Fixed Assets:			
Vehicles	0		
Less: Accumulated Depreciation	<u>0</u>	0	
Furniture and Fixtures	0		
Less: Accumulated Depreciation	<u>0</u>	0	
Equipment	2,800		
Less: Accumulated Depreciation	<u>327</u>	2,473	
Buildings	0		
Less: Accumulated Depreciation	<u>0</u>	0	
Land		<u>0</u>	
Total Fixed Assets			2,473
Other Assets:			
Organization Costs		<u>4,897</u>	
Total Other Assets			4,897
Total Assets			<u>\$7,613</u>

Balance Sheet
7/31/2005

Liabilities and Capital

Current Liabilities:

Accounts Payable	\$0	
Sales Taxes Payable	0	
Payroll Taxes Payable	0	
Accrued Wages Payable	0	
Unearned Revenues	0	
Short-Term Notes Payable	0	
Short-Term Bank Loan Payable	0	
Total Current Liabilities	<hr/>	\$0

Long-Term Liabilities:

Long-Term Notes Payable	0	
Mortgage Payable	0	
Total Long-Term Liabilities	<hr/>	<hr/> 0

Total Liabilities		0
--------------------------	--	---

Capital:

Owner's Equity	8,500	
Net Profit	(887)	
Total Capital	<hr/>	<hr/> 7,613

Total Liabilities and Capital		<hr/> \$7,613
--------------------------------------	--	---------------

7/26/2005

1:26:02 PM

GL Chart of Accounts

Account	Description	Type	Status
100100.0000	Cash in Bank - Bank of Marion	Cash	Active
101000.0002	Payroll Account - US Bank	Cash	Active
101000.0020	CD - Banterra Bank	Cash	Active
101010.0000	Petty Cash - Marion Office	Cash	Active
101500.0000	Checking - Marion Long Dist	Cash	Active
102000.0000	Escrow Account	Cash	Active
106000.0000	Organizational Costs	Cash	Active
111000.0000	Accounts Receivable-Marion	Accounts Receivable	Active
111003.0000	Accounts Receivable-CABS Billing	Accounts Receivable	Active
111007.0000	Allowance for Bankruptcy	Accounts Receivable	Active
111008.0000	Lifeline Receivable-State	Accounts Receivable	Active
111009.0000	Lifeline Receivable-Federal	Accounts Receivable	Active
111010.0000	Linkup Receivable-Federal	Accounts Receivable	Active
111011.0000	Grant Receivable	Accounts Receivable	Active
111500.0000	Allowance for Doubtful Accts	Accounts Receivable	Active
121400.0000	Inventory-DSL Internet	Inventory	Active
123500.0000	Inventory-RF Equipment	Inventory	Active
125000.0000	Prepaid Rents	Prepaid Expense	Active
126000.0000	Prepaid Maintenance	Prepaid Expense	Active
127500.0000	Prepaid Insurance	Prepaid Expense	Active
128000.0000	Prepaid Taxes	Prepaid Expense	Active
129000.0000	Prepaid Dues	Prepaid Expense	Active
130000.0000	FCC License	Property, Plant, & Equipment	Active
131000.0000	Amortizable License Cost	Other Receivables	Active
172200.0000	Vehicles	Property, Plant, & Equipment	Active
173000.0002	Equipment Software	Property, Plant, & Equipment	Active
173001.0000	Software Main	Property, Plant, & Equipment	Active
173400.0000	Office Equipment-Main	Property, Plant, & Equipment	Active
173400.9800	Office Equipment-Customer Care	Property, Plant, & Equipment	Active
173400.9900	Office Equipment-Billing	Property, Plant, & Equipment	Active
173500.0000	Equipment-Fiber System	Property, Plant, & Equipment	Active
173500.0001	Equipment-RF General Equip.	Property, Plant, & Equipment	Active
173500.0002	Equipment - Wireless Internet	Property, Plant, & Equipment	Active
173500.0003	Equipment - Webcam	Property, Plant, & Equipment	Active
173500.3011	Equipment-Marion Gen Services Equ	Property, Plant, & Equipment	Active
173500.3012	Equipment-Marion Power Supply	Property, Plant, & Equipment	Active
173500.3016	Equipment-Marion Internet	Property, Plant, & Equipment	Active
173600.0107	Equipment - DSL Remote 1	Property, Plant, & Equipment	Active
173600.0108	Equipment - DSL Remote 2	Property, Plant, & Equipment	Active
173600.0109	Equipment - DSL Remote 3.	Property, Plant, & Equipment	Active
173600.0110	Equipment - DSL Remote 4	Property, Plant, & Equipment	Active
173600.0111	Equipment - DSL Remote 5	Property, Plant, & Equipment	Active
173600.0112	Equipment - DSL Remote 6	Property, Plant, & Equipment	Active
173600.0113	Equipment - DSL Remote 7	Property, Plant, & Equipment	Active
173600.0114	Equipment - DSL Remote 8	Property, Plant, & Equipment	Active
174000.3000	Software - Marionington	Property, Plant, & Equipment	Active
174000.9800	Software - Customer Care	Property, Plant, & Equipment	Active
174000.9900	Software - Billing	Property, Plant, & Equipment	Active
177500.0000	Accumulated Depreciation	Accumulated Depreciation	Active
178500.0000	Accumulated Amortization	Property, Plant, & Equipment	Active
179500.0000	Accumulated Amortization - FCC	Property, Plant, & Equipment	Active
180000.0000	Prepaid Deposit	Other Assets	Active

7/26/2005

1:26:02 PM

GL Chart of Accounts

Account	Description	Type	Status
180011.0000	Prepaid Deposit-GTE LS	Other Assets	Active
180016.0000	Prepaid Deposit-GTE	Other Assets	Active
180017.0000	PPD Dep - Dimension & Advanta	Other Assets	Active
180018.0000	Prepaid Deposit-GF Funding IV	Other Assets	Active
181000.0000	Prepaid Interest	Other Assets	Active
185000.0000	Construction in Progress	Other Assets	Active
189999.0000	Amortizable Loan Costs	Long Term Investments	Active
190080.0000	Domain Names	Long Term Investments	Active
191000.0000	Amortization of Investments	Accumulated Depreciation	Active
195000.0000	Deferred Tax Asset	Other Receivables	Active
195001.0000	Allowance for Deferred Asset	Other Receivables	Active
210000.0000	Accounts Payable-Operations	Accounts Payable	Active
210000.0100	Accounts Payable-LD	Accounts Payable	Active
210005.0000	Accounts Payable Assets	Accounts Payable	Active
211500.0000	Accrued Residual Payable	Accounts Payable	Active
212000.0000	Accrued Interest Payable	Accounts Payable	Active
213000.0000	FCC Accrued Interest	Long Term Debt	Active
214000.0000	Payroll Payables	Accounts Payable	Active
214001.0000	Payroll Payables - FICA W/H	Accounts Payable	Active
214002.0000	Payroll Payables - FTW	Accounts Payable	Active
214003.0000	Payroll Payables - ITW	Accounts Payable	Active
214004.0000	Payroll Payables - CTW	Accounts Payable	Active
214006.0000	Payroll Payables - 401(k)	Accounts Payable	Active
214007.0000	Payroll Payables - Emp Savings	Accounts Payable	Active
214008.0000	Accrued FUTA	Accounts Payable	Active
214010.0000	Payroll Payables - Life	Accounts Payable	Active
214011.0000	Payroll Payables - Health	Accounts Payable	Active
214012.0000	Workers Compensation	Accounts Payable	Active
214500.0000	Security Deposits-Verabill	Accounts Payable	Active
214500.0120	Security Deposits-LS	Accounts Payable	Active
214750.0000	American Cancer Contributions	Accounts Payable	Active
214850.0000	Accrued Property Tax Payable	Accounts Payable	Active
215000.0000	IL State Tax Payables	Accounts Payable	Active
215000.0120	IL State Tax Payables-LS	Accounts Payable	Active
215000.0160	IL State Tax Payables-PG	Accounts Payable	Active
215001.0000	IL State Tax Payables Adjust	Accounts Payable	Active
215500.0000	Federal Tax Payables	Accounts Payable	Active
215500.0120	Federal Tax Payables-LS	Accounts Payable	Active
215501.0000	Federal Tax Payables Adjust	Accounts Payable	Active
215510.0000	Federal-USF Charge	Accounts Payable	Active
215510.0100	Interstate USF	Accounts Payable	Active
215511.0000	Federal-USF Charge Adjust	Accounts Payable	Active
215550.0000	Local Number Portability	Accounts Payable	Active
215600.0000	FCC-Cablevision Tax	Accounts Payable	Active
215600.0120	FCC-Subscriber Line Charge	Accounts Payable	Active
215700.0120	E911 Fees	Accounts Payable	Active
215801.0000	IL Lifeline Support	Accounts Payable	Active
215900.0120	School Tax-LS Marion	Accounts Payable	Active
216000.0000	Local Tax Payables	Accounts Payable	Active
216001.0000	Local Tax Payables Adjust	Accounts Payable	Active
216001.0300	Franchise Tax-Cablevision	Accounts Payable	Active
216999.0000	Income Tax Payable	Accounts Payable	Active
219998.0000	Current Portion of Cap. Leases	Accounts Payable	Active

7/26/2005

1:26:02 PM

GL Chart of Accounts

Account	Description	Type	Status
219999.0000	Current Long Term Debt	Accounts Payable	Active
219999.9900	Accrued Income Taxes	Accounts Payable	Active
239999.0000	Current Long Term Debt	Long Term Debt	Active
280000.0000	Capital	Paid in Capital	Active
280015.0000	Treasury Stock	Paid in Capital	Active
291000.0000	Retained Earnings	Retained Earnings	Active
300000.0000	Finance Charge	Gross Sales	Active
300000.0110	Finance Charge-LD-Pike	Gross Sales	Active
307000.0110	LD-SALES-Marion	Gross Sales	Active
307000.0111	LD - SALES - PREPAID	Gross Sales	Active
307000.0120	LS-SALES-Marion	Gross Sales	Active
307001.0000	SALES ADJ	Gross Sales	Active
307001.0110	SALES ADJ-LD-Marion	Gross Sales	Active
307001.0120	SALES ADJ-LS-Marion	Gross Sales	Active
307001.0130	SALES ADJ-CC-Marion	Cash	Active
307001.0140	SALES ADJ-IN-Marion	Gross Sales	Active
307001.0160	SALES ADJ-PG-Marion	Gross Sales	Active
308000.0000	Customer Refund	Gross Sales	Active
308000.0110	Customer Refund - LD	Gross Sales	Active
308000.0120	Customer Refund - LS	Gross Sales	Active
320000.0000	CABS Billing	Gross Sales	Active
350000.0000	Advertising Sales	Gross Sales	Active
350000.0140	IN - Advertising Sales	Gross Sales	Active
360000.0000	Grant Income	Gross Sales	Active
379999.0000	Miscellaneous Income	Gross Sales	Active
380000.0000	Interest Income	Gross Sales	Active
390000.0000	Sales Discounts	Gross Sales	Active
401000.0000	Amortization	Cost of Goods Sold	Active
407000.0000	MISC-COSTS Main	Cost of Goods Sold	Active
407000.0110	LD-COSTS	Cost of Goods Sold	Active
407000.0120	LS-COSTS	Cost of Goods Sold	Active
407000.0130	CC-COSTS	Cost of Goods Sold	Active
407000.0140	IN-COSTS	Cost of Goods Sold	Active
409999.0000	Intangible Costs	Cost of Goods Sold	Active
501000.0000	Freight Expense-Main	Cost of Goods Sold	Active
501000.0120	Freight Expense - LS	Cost of Goods Sold	Active
501000.0140	Freight Expense - Internet	Cost of Goods Sold	Active
501000.0160	Freight Expense-PG Marion	Cost of Goods Sold	Active
501000.3000	Freight Expense-Marion	Cost of Goods Sold	Active
501000.9700	Freight - Marketing	Cost of Goods Sold	Active
501000.9800	Freight - Customer Care	Operating Expense	Active
504000.0001	Bonus or Commissions-Main	Cost of Goods Sold	Active
504000.0110	LD-COMMISH	Cost of Goods Sold	Active
504000.0120	LS-COMMISH	Cost of Goods Sold	Active
504100.0100	MISC-SALARIES Marion	Cost of Goods Sold	Active
504100.0110	LD-SALARIES Marion	Cost of Goods Sold	Active
504100.0160	PG-SALARIES Marion	Operating Expense	Active
504500.0000	Research & Development	Operating Expense	Active
504500.0100	Research & Development-Pike	Operating Expense	Active
600000.0001	Legal Expenses-Main	Operating Expense	Active
600000.0120	Legal Expenses - LS	Operating Expense	Active
600000.0130	Legal Expenses - CC	Operating Expense	Active
600010.0001	Accounting Fees-Main	Operating Expense	Active

7/26/2005

1:26:02 PM

GL Chart of Accounts

Account	Description	Type	Status
600010.0110	Accounting Fees-LD Marion	Operating Expense	Active
600020.0001	Travel Expense-Main	Operating Expense	Active
600020.0400	Travel Expense - Phone Techs	Operating Expense	Active
600020.3000	Travel Expense-Marion	Operating Expense	Active
600030.0001	Travel & Ent-Meals Exp-Main	Operating Expense	Active
600040.0001	Telephone Expense-Main	Operating Expense	Active
600040.0400	Telephone Expense - Phone Techs	Operating Expense	Active
600040.3000	Telephone Expense-Marion	Operating Expense	Active
600050.0001	Taxes & Licenses-Main	Operating Expense	Active
600500.0000	Depreciation	Operating Expense	Active
601500.0001	Insurance-General-Main	Operating Expense	Active
602000.0000	Office Wages	Operating Expense	Active
602000.0001	Office Wages-Main	Operating Expense	Active
602010.0000	Marketing Wages	Operating Expense	Active
602010.0140	Sales Wages-Commissions-IN	Operating Expense	Active
602020.9600	Wages-Agent Development	Operating Expense	Active
602020.9800	Wages-Customer Care	Operating Expense	Active
602020.9900	Wages-Billing	Operating Expense	Active
602030.0000	Wages-Prov/Tech	Operating Expense	Active
602500.0000	Stock Compensation	Operating Expense	Active
606000.0000	Rents	Operating Expense	Active
606000.0001	Rents-Main	Operating Expense	Active
607000.0000	Utilities	Operating Expense	Active
609000.0000	Professional Fees	Operating Expense	Active
609500.0000	Donations	Operating Expense	Active
700400.0000	Community Promotion	Operating Expense	Active
700500.0000	Agent Support/Promotion	Operating Expense	Active
701000.0000	Advertising-Marketing Credits	Operating Expense	Active
701000.0001	Advertising-Main Office	Operating Expense	Active
701500.0000	Dues & Subscriptions	Operating Expense	Active
702000.0001	Supplies-Main	Operating Expense	Active
702000.0400	Supplies - Phone Techs	Operating Expense	Active
702000.9700	Supplies - Marketing	Operating Expense	Active
702000.9800	Supplies-Customer Care	Operating Expense	Active
702000.9900	Supplies-Billing	Operating Expense	Active
702500.0000	Repairs & Maintenance-Main	Operating Expense	Active
703000.0000	Continuing Education	Operating Expense	Active
704000.0400	Misc Expense - Phone Techs	Operating Expense	Active
704000.9700	Miscellaneous Expense - Marketing	Operating Expense	Active
704000.9800	Misc Expense - Customer Care	Operating Expense	Active
704000.9900	Misc Expense - Billing	Operating Expense	Active
760000.0000	Reimbursed Grant Expense	Operating Expense	Active
801000.0000	FICA Expense	Operating Expense	Active
801001.0000	FUTA	Operating Expense	Active
801002.0000	IL Unemployment	Operating Expense	Active
803000.0000	Cash Over/Under	Operating Expense	Active
804000.0000	Bad Debts	Operating Expense	Active
805000.0000	Finance Charge Expense	Operating Expense	Active
900000.0000	Management Fees	Operating Expense	Active
900010.0000	Directors Compensation	Operating Expense	Active
900050.0000	Labor Reimbursement	Other Income Expense	Active
900050.4000	Labor Reimbursement-Comm. Ctr.	Other Income Expense	Active
901000.0000	Miscellaneous Costs	Operating Expense	Active

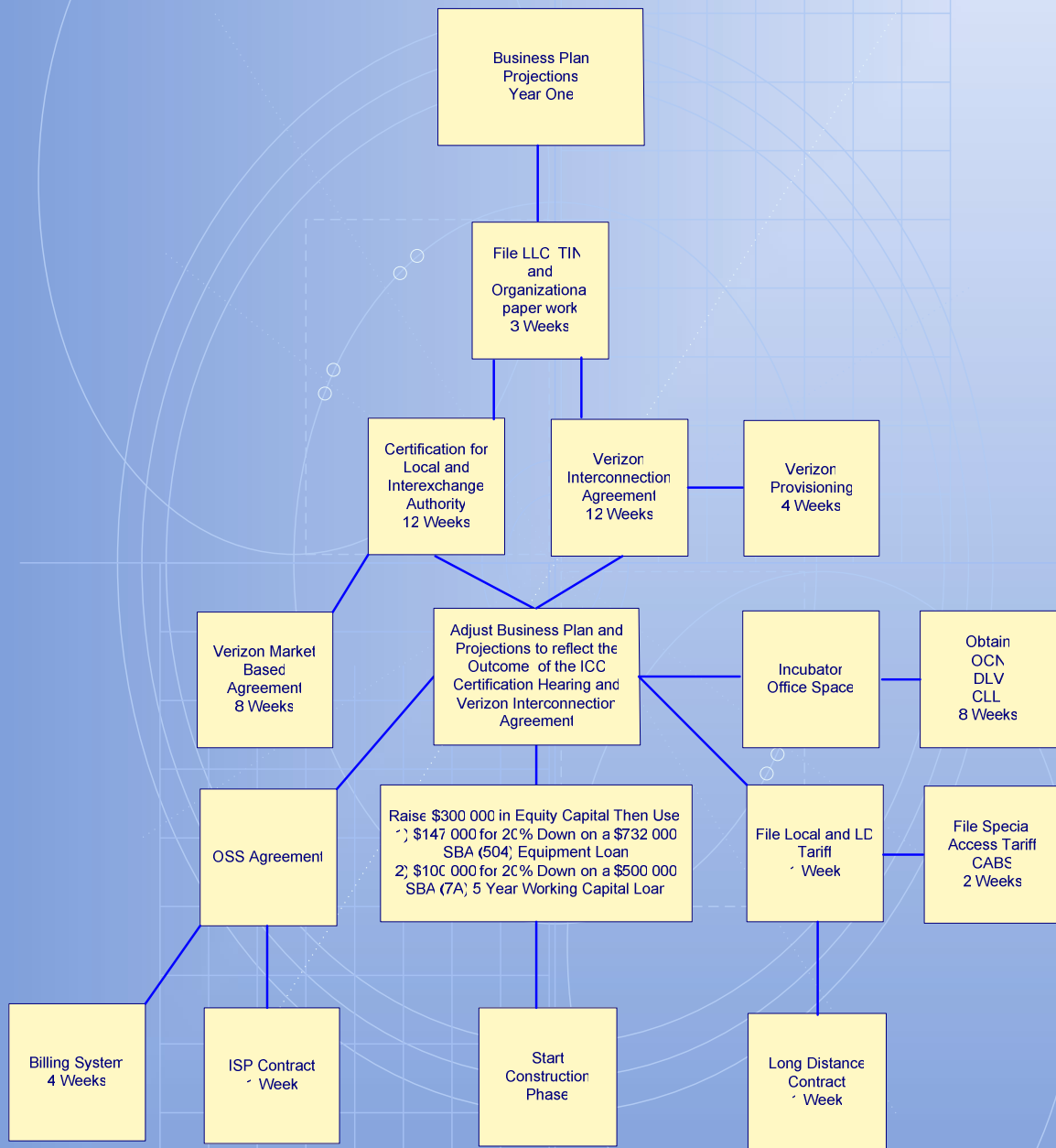
7/26/2005

1:26:02 PM

GL Chart of Accounts

Account	Description	Type	Status
908500.0000	Amortization	Operating Expense	Active
909900.0000	Deferred Tax	Income Tax Expense	Active
945000.0000	Income Taxes	Income Tax Expense	Active
946000.0000	Loss/Gain on Disposal of Assets	Operating Expense	Active
947000.0000	Goodwill Impairment	Operating Expense	Active
950000.0000	Extraordinary Expenses(Income)	Operating Expense	Active
999999.9999	Import Batch Balance Account	General & Admin Expense	Active

Pre-Construction Phase



Construction Phase

